

**Return of Private Foundation
or Section 4947(a)(1) Trust Treated as Private Foundation**

2017

Department of the Treasury
Internal Revenue Service

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▶ Go to www.irs.gov/Form990PF for instructions and the latest information

Open to Public Inspection

For calendar year 2017 or tax year beginning 12/01, 2017, and ending 11/30, 2018

M. G. & LILLIE A. JOHNSON
FOUNDATION, INC.
P. O. BOX 2269
VICTORIA, TX 77902-2269

A Employer identification number
74-6076961

B Telephone number (see instructions)
(361) 575-7970

C If exemption application is pending, check here

D 1 Foreign organizations, check here

2 Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

G Check all that apply:

<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16)
\$ 161,302,573.

J Accounting method: Cash Accrual
 Other (specify) _____
(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc., received (attach schedule) . . .				
	2 Check <input checked="" type="checkbox"/> If the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments			N/A	
	4 Dividends and interest from securities	2,911,322.	2,911,322.		
	5a Gross rents	67,771.	67,771.		
	b Net rental income or (loss)	67,771.			
	6a Net gain or (loss) from sale of assets not on line 10	275,794.			
	b Gross sales price for all assets on line 6a	275,794.			
	7 Capital gain net income (from Part IV, line 2)		275,794.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
SEE STATEMENT 1		13,681,877.	13,681,877.		
12 Total. Add lines 1 through 11		16,936,764.	16,936,764.		
ADMINISTRATIVE AND OPERATING EXPENSES	13 Compensation of officers, directors, trustees, etc.	258,249.	246,749.		11,500.
	14 Other employee salaries and wages	21,000.			21,000.
	15 Pension plans, employee benefits	45,403.	45,403.		
	16a Legal fees (attach schedule) SEE ST. 2	697.	697.		
	b Accounting fees (attach sch) SEE ST. 3	12,200.			12,200.
	c Other professional fees (attach sch) SEE ST. 4	288,443.	288,443.		
	17 Interest				
	18 Taxes (attach schedule) (see instrs) SEE STMT. 5	1,205,757.	897,312.		
	19 Depreciation (attach schedule) and depletion SEE STMT. 6	628.	628.		
	20 Occupancy	21,397.	21,397.		
	21 Travel, conferences, and meetings	719.	326.		393.
22 Printing and publications					
23 Other expenses (attach schedule)					
SEE STATEMENT 7		18,323.	19,048.		-725.
24 Total operating and administrative expenses. Add lines 13 through 23		1,872,816.	1,520,003.		44,368.
25 Contributions, gifts, grants paid PART XV.		6,720,792.			6,720,792.
26 Total expenses and disbursements. Add lines 24 and 25		8,593,608.	1,520,003.		6,765,160.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		8,343,156.			
b Net investment income (if negative, enter -0-)			15,416,761.		
c Adjusted net income (if negative, enter -0-)					

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
ASSETS	1	Cash — non-interest-bearing	11,781,107.	9,618,830.	9,618,830.
	2	Savings and temporary cash investments		12,840,000.	12,840,000.
	3	Accounts receivable			
		Less: allowance for doubtful accounts			
	4	Pledges receivable			
		Less: allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments — U.S. and state government obligations (attach schedule)		250,458.	249,585.
	b	Investments — corporate stock (attach schedule)	55,003,803.	58,085,365.	96,882,170.
	c	Investments — corporate bonds (attach schedule)	20,989,924.	17,821,316.	16,599,209.
	11	Investments — land, buildings, and equipment: basis	2,680,329.		
	Less: accumulated depreciation (attach schedule) SEE STMT 8	2,680,329.	2,680,329.	5,026,348.	
12	Investments — mortgage loans				
13	Investments — other (attach schedule)	2,400,181.			
14	Land, buildings, and equipment: basis	14,888.			
	Less: accumulated depreciation (attach schedule) SEE STMT 9	14,364.	1,152.	524.	
15	Other assets (describe SEE STATEMENT 10)	129,457.	32,287.	20,085,907.	
16	Total assets (to be completed by all filers — see the instructions. Also, see page 1, item I)	92,985,953.	101,329,109.	161,302,573.	
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe)			
	23	Total liabilities (add lines 17 through 22)	0.	0.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26, and lines 30 and 31. <input type="checkbox"/>				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds	92,985,953.	101,329,109.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds				
30	Total net assets or fund balances (see instructions)	92,985,953.	101,329,109.		
31	Total liabilities and net assets/fund balances (see instructions)	92,985,953.	101,329,109.		

Part III Analysis of Changes in Net Assets or Fund Balances		
1	Total net assets or fund balances at beginning of year — Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	92,985,953.
2	Enter amount from Part I, line 27a	8,343,156.
3	Other increases not included in line 2 (itemize)	
4	Add lines 1, 2, and 3	101,329,109.
5	Decreases not included in line 2 (itemize)	
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	101,329,109.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (for example, real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1 a SCHEDULE ATTACHED		P	VARIOUS	VARIOUS
b CAPITAL GAIN DIVIDENDS				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale		(h) Gain or (loss) ((e) plus (f) minus (g))
a 83,631.				83,631.
b				
c				
d				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				83,631.
b				192,163.
c				
d				
e				
2 Capital gain net income or (net capital loss).....		[If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7]		2 275,794.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):		[If gain, also enter in Part I, line 8, column (c). See instructions. If (loss), enter -0- in Part I, line 8.....]		3 0.

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If 'Yes,' the foundation doesn't qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2016	5,858,344.	136,938,896.	0.042781
2015	5,870,471.	121,435,922.	0.048342
2014	4,997,596.	126,622,936.	0.039468
2013	4,390,225.	109,378,328.	0.040138
2012	3,817,775.	93,815,751.	0.040694
2 Total of line 1, column (d).....			2 0.211423
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5.0, or by the number of years the foundation has been in existence if less than 5 years.....			3 0.042285
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5.....			4 157,606,661.
5 Multiply line 4 by line 3.....			5 6,664,398.
6 Enter 1% of net investment income (1% of Part I, line 27b).....			6 154,168.
7 Add lines 5 and 6.....			7 6,818,566.
8 Enter qualifying distributions from Part XII, line 4.....			8 6,765,160.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 – see instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here. <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary – see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here. <input type="checkbox"/> and enter 1% of Part I, line 27b.		1	308,335.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)		2	0.
3 Add lines 1 and 2		3	308,335.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only; others, enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	308,335.
6 Credits/Payments:			
a 2017 estimated tax prmts and 2016 overpayment credited to 2017	6 a		340,456.
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d		7	340,456.
8 Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached		8	110.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	0.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid		10	32,011.
11 Enter the amount of line 10 to be: Credited to 2018 estimated tax. 32,011. Refunded		11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition		X
If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ 0. (2) On foundation managers \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If 'Yes,' attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If 'Yes,' attach a conformed copy of the changes.		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, col. (c), and Part XV.	X	
8 a Enter the states to which the foundation reports or with which it is registered. See instructions TX		
b If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If 'No,' attach explanation.	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2017 or the tax year beginning in 2017? See the instructions for Part XIV. If 'Yes,' complete Part XIV.		X
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule. See instructions.		X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement. See instructions.		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address: <u>MGLAJOHNSONFOUNDATION.COM</u>	X	
14 The books are in care of <u>ROBERT HALEPESKA</u> Telephone no. <u>(361) 575-7970</u> Located at <u>ONE O'CONNOR PLAZA, STE 905 VICTORIA TX</u> ZIP + 4 <u>77901</u>		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - check here <input type="checkbox"/> N/A and enter the amount of tax-exempt interest received or accrued during the year <u>15</u> N/A		
16 At any time during calendar year 2017, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If 'Yes,' enter the name of the foreign country <u></u>		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

	Yes	No
1 a During the year, did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance? See instructions. Organizations relying on a current notice regarding disaster assistance, check here. <input type="checkbox"/>	1 b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2017?	1 c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'Yes,' list the years <u>20__ , 20__ , 20__ , 20__</u>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions.)	2 b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20__ , 20__ , 20__ , 20__</u>		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If 'Yes,' did it have excess business holdings in 2017 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2017.)	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2017?	4 b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5 a During the year, did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? See instructions. Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is 'Yes' to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance? See instructions. **5 b** N/A

Organizations relying on a current notice regarding disaster assistance, check here.

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** Yes No

If 'Yes,' attach the statement required by Regulations section 53.4945–5(d).

6 a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No **6 b** X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

If 'Yes' to 6b, file Form 8870.

7 a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No **7 b** N/A

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, and foundation managers and their compensation. See instructions.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 11		258,249.	43,750.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 – see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services. See instructions. If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
WELLS FARGO BANK ONE O'CONNOR PLAZA VICTORIA, TX 77901	INVESTMENT ADVISORY	117,503.
UBS FINANCIAL SERVICES, INC. 15958 CITY WALK #240 HOUSTON, TX 77479-6584	INVESTMENT ADVISORY	77,469.

Total number of others receiving over \$50,000 for professional services.....		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions. 3	
Total. Add lines 1 through 3.....	

0.

BAA

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1 a	120,427,776.
b Average of monthly cash balances	1 b	14,498,493.
c Fair market value of all other assets (see instructions)	1 c	25,080,493.
d Total (add lines 1a, b, and c)	1 d	160,006,762.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	160,006,762.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	2,400,101.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	157,606,661.
6 Minimum investment return. Enter 5% of line 5	6	7,880,333.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations, check here and do not complete this part.)

1 Minimum investment return from Part X, line 6	1	7,880,333.
2 a Tax on investment income for 2017 from Part VI, line 5	2 a	308,335.
2 b Income tax for 2017. (This does not include the tax from Part VI.)	2 b	
c Add lines 2a and 2b	2 c	308,335.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	7,571,998.
4 Recoveries of amounts treated as qualifying distributions	4	
5 Add lines 3 and 4	5	7,571,998.
6 Deduction from distributable amount (see instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	7,571,998.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26	1 a	6,765,160.
b Program-related investments — total from Part IX-B	1 b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3 a	
b Cash distribution test (attach the required schedule)	3 b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8; and Part XIII, line 4	4	6,765,160.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b. See instructions	5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	6,765,160.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7.....				7,571,998.
2 Undistributed income, if any, as of the end of 2017:				
a Enter amount for 2016 only.....			6,383,694.	
b Total for prior years: 20____, 20____, 20____		0.		
3 Excess distributions carryover, if any, to 2017:				
a From 2012.....				
b From 2013.....				
c From 2014.....				
d From 2015.....				
e From 2016.....				
f Total of lines 3a through e.....	0.			
4 Qualifying distributions for 2017 from Part XII, line 4: ▶ \$ <u>6,765,160.</u>				
a Applied to 2016, but not more than line 2a....			6,383,694.	
b Applied to undistributed income of prior years (Election required — see instructions).....		0.		
c Treated as distributions out of corpus (Election required — see instructions).....	0.			
d Applied to 2017 distributable amount.....				381,466.
e Remaining amount distributed out of corpus..	0.			
5 Excess distributions carryover applied to 2017..... (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5.....	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b.....		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.....		0.		
d Subtract line 6c from line 6b. Taxable amount — see instructions.....		0.		
e Undistributed income for 2016. Subtract line 4a from line 2a. Taxable amount — see instructions.....			0.	
f Undistributed income for 2017. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2018.....				7,190,532.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required — see instructions).....	0.			
8 Excess distributions carryover from 2012 not applied on line 5 or line 7 (see instructions)..	0.			
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a.....	0.			
10 Analysis of line 9:				
a Excess from 2013....				
b Excess from 2014....				
c Excess from 2015....				
d Excess from 2016....				
e Excess from 2017....				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2017, enter the date of the ruling. ▶

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2017	(b) 2016	(c) 2015	(d) 2014	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed.....					
b 85% of line 2a.....					
c Qualifying distributions from Part XII, line 4 for each year listed.....					
d Amounts included in line 2c not used directly for active conduct of exempt activities.....					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c.....					
3 Complete 3a, b, or c for the alternative test relied upon:					
a 'Assets' alternative test — enter:					
(1) Value of all assets.....					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i).....					
b 'Endowment' alternative test — enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed.....					
c 'Support' alternative test — enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities, loans (section 512(a)(5)), or royalties).....					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).....					
(3) Largest amount of support from an exempt organization.....					
(4) Gross investment income.....					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year — see instructions.)

1 Information Regarding Foundation Managers:
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
 NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
 NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:
 Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

a The name, address, and telephone number or email address of the person to whom applications should be addressed:
 SEE STATEMENT 12

b The form in which applications should be submitted and information and materials they should include:
 SEE STATEMENT FOR LINE 2A

c Any submission deadlines:
 SEE STATEMENT FOR LINE 2A

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:
 SEE STATEMENT FOR LINE 2A

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SCHEDULE ATTACHED		N/A		6,720,792.
Total ▶ 3 a				6,720,792.
b Approved for future payment				
Total ▶ 3 b				

Underpayment of Estimated Tax by Corporations

▶ Attach to the corporation's tax return.

▶ Go to www.irs.gov/Form2220 for instructions and the latest information.

2017

Name **M. G. & LILLIE A. JOHNSON
FOUNDATION, INC.**

Employer identification number

74-6076961

Note: Generally, the corporation isn't required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38 on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

Part I Required Annual Payment

1	Total tax (see instructions).....		1	308,335.
2 a	Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1.....			
2 b	Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method.....			
2 c	Credit for federal tax paid on fuels (see instructions).....			
2 d	Total. Add lines 2a through 2c.....			
3	Subtract line 2d from line 1. If the result is less than \$500, do not complete or file this form. The corporation doesn't owe the penalty.....		3	308,335.
4	Enter the tax shown on the corporation's 2016 income tax return. See instructions. Caution: If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5. ..		4	113,060.
5	Required annual payment. Enter the smaller of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3.....		5	113,060.

Part II Reasons for Filing – Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it doesn't owe a penalty. See instructions.

- 6 The corporation is using the adjusted seasonal installment method.
- 7 The corporation is using the annualized income installment method.
- 8 The corporation is a 'large corporation' figuring its first required installment based on the prior year's tax.

Part III Figuring the Underpayment

	(a)	(b)	(c)	(d)	
9 Installment due dates. Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year.....	9	4/15/18	5/15/18	8/15/18	11/15/18
10 Required installments. If the box on line 6 and/or line 7 above is checked, enter the amounts from Schedule A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% (0.25) of line 5 above in each column.....	10	28,265.	125,903.	77,084.	77,084.
11 Estimated tax paid or credited for each period. For column (a) only, enter the amount from line 11 on line 15. See instructions.....	11	129,456.	16,000.	108,000.	87,000.
Complete lines 12 through 18 of one column before going to the next column.					
12 Enter amount, if any, from line 18 of the preceding column.....	12		101,191.		22,204.
13 Add lines 11 and 12.....	13		117,191.	108,000.	109,204.
14 Add amounts on lines 16 and 17 of the preceding column.....	14			8,712.	
15 Subtract line 14 from line 13. If zero or less, enter -0-.....	15	129,456.	117,191.	99,288.	109,204.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-.....	16		0.	0.	
17 Underpayment. If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18.....	17		8,712.		
18 Overpayment. If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column.....	18	101,191.		22,204.	

Go to **Part IV** on page 2 to figure the penalty. Do not go to **Part IV** if there are no entries on line 17 – no penalty is owed.

Part IV Figuring the Penalty

	(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 4th month after the close of the tax year, whichever is earlier. (<i>C Corporations with tax years ending June 30 and S corporations</i> : Use 3rd month instead of 4th month. <i>Form 990-PF and Form 990-T filers</i> : Use 5th month instead of 4th month.) See instructions.	19	8/15/18		
20 Number of days from due date of installment on line 9 to the date shown on line 19.	20	92		
21 Number of days on line 20 after 4/15/2017 and before 7/1/2017.	21			
22 Underpayment on line 17 x $\frac{\text{Number of days on line 21}}{365} \times 4\% (0.04)$	22			
23 Number of days on line 20 after 6/30/2017 and before 10/1/2017.	23			
24 Underpayment on line 17 x $\frac{\text{Number of days on line 23}}{365} \times 4\% (0.04)$	24			
25 Number of days on line 20 after 9/30/2017 and before 1/1/2018.	25			
26 Underpayment on line 17 x $\frac{\text{Number of days on line 25}}{365} \times 4\% (0.04)$	26			
27 Number of days on line 20 after 12/31/2017 and before 4/1/2018.	27			
28 Underpayment on line 17 x $\frac{\text{Number of days on line 27}}{365} \times 4\% (0.04)$	28			
29 Number of days on line 20 after 3/31/2018 and before 7/1/2018.	29	46		
30 Underpayment on line 17 x $\frac{\text{Number of days on line 29}}{365} \times 5\% \dots$	30	54.90		
31 Number of days on line 20 after 6/30/2018 and before 10/1/2018.	31	46		
32 Underpayment on line 17 x $\frac{\text{Number of days on line 31}}{365} \times 5\% \dots$	32	54.90		
33 Number of days on line 20 after 9/30/2018 and before 1/1/2019.	33			
34 Underpayment on line 17 x $\frac{\text{Number of days on line 33}}{365} \times \dots\%$	34			
35 Number of days on line 20 after 12/31/2018 and before 3/16/2019.	35			
36 Underpayment on line 17 x $\frac{\text{Number of days on line 35}}{365} \times \dots\%$	36			
37 Add lines 22, 24, 26, 28, 30, 32, 34, and 36.	37	109.80		
38 Penalty. Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 33; or the comparable line for other income tax returns.	38			110.

*Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at www.irs.gov. You can also call 1-800-829-4933 to get interest rate information.

Form **4562**

**Depreciation and Amortization
(Including Information on Listed Property)**

OMB No. 1545-0172

2017

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.
▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

Attachment
Sequence No. **179**

Name(s) shown on return **M. G. & LILLIE A. JOHNSON
FOUNDATION, INC.**

Identifying number
74-6076961

Business or activity to which this form relates

FORM 990/990-PF

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs) ..	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2018. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	628.

Part III MACRS Depreciation (Don't include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2017	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		<input type="checkbox"/>

Section B – Assets Placed in Service During 2017 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only – see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

Section C – Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System

20 a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations – see instructions	22	628.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

M. G. & LILLIE A. JOHNSON
FOUNDATION, INC.

74-6076961

STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
OIL & GAS RELATED INCOME.....	\$ 17,143.	\$ 17,143.	
OIL & GAS ROYALTIES.....	13,664,734.	13,664,734.	
TOTAL	<u>\$13,681,877.</u>	<u>\$13,681,877.</u>	<u>\$ 0.</u>

STATEMENT 2
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
KLOTZMAN LAW FIRM.....	\$ 697.	\$ 697.		
TOTAL	<u>\$ 697.</u>	<u>\$ 697.</u>		<u>\$ 0.</u>

STATEMENT 3
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BUMGARDNER MORRISON & CO.....	\$ 2,100.			\$ 2,100.
ROLLOFF HNATEK.....	10,100.			10,100.
TOTAL	<u>\$ 12,200.</u>	<u>\$ 0.</u>		<u>\$ 12,200.</u>

STATEMENT 4
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
AMERITRADE (SATHER FINANCIAL).....	\$ 44,560.	\$ 44,560.		
PROSPERITY BANK.....	48,911.	48,911.		
UBS PAINE WEBBER.....	77,469.	77,469.		
WELLS FARGO & CO.....	117,503.	117,503.		
TOTAL	<u>\$ 288,443.</u>	<u>\$ 288,443.</u>		<u>\$ 0.</u>

M. G. & LILLIE A. JOHNSON
FOUNDATION, INC.

74-6076961

STATEMENT 5
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
AD VALOREM TAXES.....	\$ 260,108.	\$ 260,108.		
EXCISE TAXES.....	308,445.			
FOREIGN TAXES & ADR FEES.....	31,135.	31,135.		
PAYROLL TAXES.....	14,071.	14,071.		
SEVERANCE TAXES.....	591,998.	591,998.		
TOTAL	<u>\$ 1,205,757.</u>	<u>\$ 897,312.</u>		<u>\$ 0.</u>

STATEMENT 6
FORM 990-PF, PART I, LINE 19
ALLOCATED DEPRECIATION

DATE ACQUIRED	COST BASIS	PRIOR YR DEPR	METHOD	RATE	LIFE	CURRENT YR DEPR	NET INVEST INCOME	ADJUSTED NET INCOME
COMPUTER SYSTEM								
10/15/14	3,142	1,990	S/L		5	628	628	0

STATEMENT 7
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK CHARGES.....	\$ 94.	\$ 94.		
DUES.....	4,745.	4,745.		
EXPENSE REBATE.....	-725.			\$ -725.
INSURANCE.....	8,865.	8,865.		
OFFICE EXPENSE.....	5,344.	5,344.		
TOTAL	<u>\$ 18,323.</u>	<u>\$ 19,048.</u>		<u>\$ -725.</u>

STATEMENT 8
FORM 990-PF, PART II, LINE 11
INVESTMENTS - LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
LAND	\$ 2,680,329.		\$ 2,680,329.	\$ 5,026,348.
TOTAL	<u>\$ 2,680,329.</u>	<u>\$ 0.</u>	<u>\$ 2,680,329.</u>	<u>\$ 5,026,348.</u>

M. G. & LILLIE A. JOHNSON
FOUNDATION, INC.

74-6076961

STATEMENT 9
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
FURNITURE AND FIXTURES	\$ 14,888.	\$ 14,364.	\$ 524.	\$ 524.
TOTAL	\$ 14,888.	\$ 14,364.	\$ 524.	\$ 524.

STATEMENT 10
FORM 990-PF, PART II, LINE 15
OTHER ASSETS

	BOOK VALUE	FAIR MARKET VALUE
EXCISE TAX OVERPAYMENT.....	\$ 32,011.	\$ 32,011.
MINERAL INTERESTS.....	1.	20,053,621.
PAYROLL TAX OVERPAYMENT.....	275.	275.
TOTAL	\$ 32,287.	\$ 20,085,907.

STATEMENT 11
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
M. H. BROCK 807 S. HANOVER EDNA, TX 77957	CHAIRMAN 3.00	\$ 2,000.	\$ 0.	\$ 0.
RUSSELL MARSHALL 6017 COUNTRY CLUB DRIVE VICTORIA, TX 77904	TRUSTEE 1.00	1,000.	0.	0.
DICK KOOP 1258 CR 312 EDNA, TX 77957	TRUSTEE 1.00	1,500.	0.	0.
ROSEMARY RUST 616 BOB-O-LINK LANE WHARTON, TX 77488	TRUSTEE 1.00	2,000.	0.	0.
JACK R. MORRISON, JR. P. O. BOX 3750 VICTORIA, TX 77903	SEC/TREAS 2.00	2,000.	0.	0.
JAMES A. BOULIGNY 1305 AVENUE K EL CAMPO, TX 77437	VICE CHAIR 1.00	1,000.	0.	0.

M. G. & LILLIE A. JOHNSON
FOUNDATION, INC.

74-6076961

STATEMENT 11 (CONTINUED)
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
TERRELL MULLINS 503 E. FOURTH STREET HALLETTSVILLE, TX 77964	TRUSTEE 1.00	\$ 2,000.	\$ 0.	\$ 0.
ROBERT L. HALEPESKA 206 TRACY LANE VICTORIA, TX 77904	EXEC VICE PRES 40.00	246,749.	43,750.	0.
		TOTAL \$ 258,249.	\$ 43,750.	\$ 0.

STATEMENT 12
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:
NAME:
CARE OF:
STREET ADDRESS:
CITY, STATE, ZIP CODE:
TELEPHONE:
E-MAIL ADDRESS:
FORM AND CONTENT:

M. G. & LILLIE A. JOHNSON FOUNDATION
ROBERT HALEPESKA
P. O. BOX 2269
VICTORIA, TX 77902
(361) 575-7970

SUBMISSION DEADLINES:
RESTRICTIONS ON AWARDS:

GRANT APPLICATIONS MUST BE SUBMITTED IN WRITING, SHOULD INCLUDE BIOGRAPHICAL INFORMATION ABOUT THE PROSPECTIVE GRANTEE AND MUST INCLUDE SATISFACTORY EVIDENCE TO ASSURE OUR TRUSTEES THAT THE APPLICANT IS A QUALIFIED ORGANIZATION TO WHICH THE JOHNSON FOUNDATION MAY PROVIDE FUNDS IN ACCORDANCE WITH PERTINENT INTERNAL REVENUE SERVICE CODE SECTIONS AND REGULATIONS. THE APPLICANT SHOULD ALSO SPECIFY THE AMOUNT OF FUNDS REQUESTED, THE INTENDED USE OF THE FUNDS AND THE ANTICIPATED LENGTH OF TIME WITHIN WHICH THE FUNDS WILL BE EXPENDED. 30 DAYS PRIOR TO THE MEETING DATE(S) OF THE TRUSTEES GENERALLY PREFER TO CONFINE FUNDING TO HEALTH CARE OR HIGHER EDUCATION RELATED GRANTEES.

11/30/18

2017 FEDERAL BOOK SUMMARY DEPRECIATION SCHEDULE

PAGE 1

CLIENT 9670

M. G. & LILLIE A. JOHNSON
FOUNDATION, INC.

74-6076961

2/11/19

01:30PM

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS. PCT.	CUR 179/ SDA	PRIOR 179/ SDA/ DEPR.	METHOD	LIFE	CURRENT DEPR.
FORM 990/990-PF										
FURNITURE AND FIXTURES										
1	FURNITURE	10/15/87		2,675			2,675	S/L	10	0
2	SIGN	10/15/89		348			348	S/L	10	0
3	DESK, CREDENZA & CHAIR	12/15/89		4,035			4,035	S/L	10	0
4	FILING CABINET	6/15/07		841			841	S/L	10	0
5	5 SHELF BOOKCASE	6/15/07		433			433	S/L	10	0
6	EXECUTIVE CHAIR	6/15/07		792			792	S/L	10	0
7	60 X 60 CHAIRMAT	6/15/07		271			271	S/L	10	0
8	DESK, DRAWER & KEYBOARD	6/15/07		688			688	S/L	10	0
9	36" (2) DR FILE CABINET	6/15/07		494			494	S/L	10	0
10	48 X 24 FILE CABINET	6/15/07		388			388	S/L	10	0
11	48 X 24 FILE CABINET	6/15/07		388			388	S/L	10	0
12	COMPUTER SYSTEM	10/15/14		3,142			1,990	S/L	5	628
13	PRINTER/FAX MACHINE	11/15/09		393			393	S/L	5	0
TOTAL FURNITURE AND FIXTURE				14,888		0	13,736			628
TOTAL DEPRECIATION				14,888		0	13,736			628
GRAND TOTAL DEPRECIATION				14,888		0	13,736			628

M. G. & LILLIE A. JOHNSON FOUNDATION, INC. 74-6076961

CAPITAL GAINS & LOSSES YEAR ENDING NOVEMBER 30, 2018

DATE	ASSET	SHARES	DATE ACQUIRED	PROCEEDS	BASIS	GAIN (LOSS)	
AMERITRADE							
3/31/2018						35564.68	Long Term
4/30/2018						-13435.1	Long Term
5/31/2018						170376.25	Long Term
6/30/2018						-44351.8	Long Term
7/31/2018						86510.79	Long Term
8/31/2018						3990.98	Long Term
9/30/2018						52146.77	Long Term
10/31/2018						-3582.93	Long Term
WELLS FARGO-CONSOLIDATED							
12/31/2017						-9,706.57	Long Term
12/31/2017						35,187.44	Short Term
1/31/2018						-60,187.89	Long Term
2/1/2018						14,948.73	Long Term
2/28/2018						7,527.63	Long Term
3/31/2018						16,218.52	Long Term
4/30/2018						1,296.07	Long Term
5/31/2018						10,418.93	Long Term
6/30/2018						8,609.14	Long Term
7/31/2018						39,022.04	Long Term
8/31/2018						94,042.13	Long Term
9/30/2018						-15,117.42	Long Term
10/31/2018						-15,261.80	Long Term
11/30/2018						20,093.65	Long Term
PROSPERITY CUSTODIAL ACCOUNT							
12/31/2017						31,909.35	Long Term
12/31/2017						57,371.09	Long Term
1/31/2018						99,106.51	Long Term
3/31/2018						1,676.85	Long Term
3/31/2018						18,376.45	Long Term
4/30/2018						27,259.28	Long Term
4/30/2018						2,884.09	Long Term
5/31/2018						46,503.22	Long Term
6/30/2018						-41,952.50	Long Term
7/31/2018						-32,106.85	Long Term
8/31/2018						765.34	Long Term
9/30/2018						-7,153.58	Long Term
10/31/2018						-70,851.70	Long Term
11/30/2018						90,093.54	Long Term

M. G. & LILLIE A. JOHNSON FOUNDATION, INC. 74-6076961

UBS FINANCIAL SERVICES-KAYNE ANDERSON							
12/31/2017						6,266.52	Long Term
12/31/2017						4.69	Short Term
1/31/2018						9,560.78	Long Term
3/31/2018						56,867.04	Long Term
4/30/2018						41,198.81	Long Term
5/31/2018						38,716.96	Long Term
8/31/2018						176,270.83	Long Term
UBS FINANCIAL SERVICES-FIXED INCOME							
12/15/2017	United Health Group Inc. 1.4% 12/15/17	280000	6/17/2015	280,000.00	281,643.25	-1,643.25	Long Term
11/26/2018	Coca Cola FEMSA 2.375% 11/26/18	116000	6/17/2015	116,000.00	118,194.57	-2,194.57	Long Term
11/30/2018	Aflac Inc. 2.4% 3/16/20	500000	6/17/2015	500,000.00	505,180.25	-5,180.25	Long Term
INDIVIDUALLY HELD SECURITIES							
12/11/2017	Columbia Seligman					10,652.46	Short Term
12/11/2017	Columbia Seligman					81,386.94	Long Term
12/18/2019	Loomis Sayles Inv. Grade Bond Fund					5,463.39	Long Term
12/18/2019	Loomis Sayles Inv. Grade Bond Fund					26.08	Short Term
12/19/2017	Vanguard Wellesley					5,743.50	Long Term
12/19/2017	Vanguard Convertible					1,695.94	Long Term
12/1/2017	General Electric Co.	12,400	7/13/2016	226,859.87	403,315.25	-176,455.38	Long Term
12/1/2017	Kayne Anderson Midstream	16,000	3/7/2011	196,150.18	404,920.25	-208,770.07	Long Term
12/1/2017	Kayne Anderson MLP	20,657	3/4 & 4/16/2010	294,616.22	490,616.13	-195,999.91	Long Term
12/1/2017	Vanguard Energy Fund	954	6/12/2009	95,383.40	100,000.00	-4,616.60	Long Term
6/4/2018	Delaware Diversified Income Fund A	88,863	4/26/2007	750,000.00	780,768.38	-30,768.38	Long Term
8/3/2018	Delaware Diversified Income Fund A	25238.963	4/26/07-12/22/09	211,244.87	221,897.63	-24,785.60	Long Term
10/29/2018	Resideo Technologies, Inc.	0.333	10/29/2018	8.45	5.40	3.05	Long Term
11/26/2018	Baker Hughes A GE Company	3,400	9/14/2011	76,267.09	196,955.83	-120,688.74	Long Term
11/15/2018	Garrett Motion Inc	440	4/15/2014	5,603.02	4,293.04	1,309.98	Long Term
11/15/2018	Resideo Technologies, Inc.	733	4/15/2018	16,327.06	11,503.30	4,447.76	Long Term
11/15/2018	Templeton Global Total Return A	40851.511	4/15/2018	480,000.00	530,909.08	-50,909.08	Long Term
11/30/2018	TOTAL GAINS & LOSSES					<u><u>275,794.23</u></u>	

(includes capital gains dividends)

Grants Paid for the Year ending November 30, 2018:

\$50,000.00 to the Golden Crescent Habitat for Humanity for building renovations at its new location.

\$75,000.00 to the Garwood Volunteer Fire Department for the purchase of a pumper truck.

\$27,000.00 to the Ander-Weser Volunteer Fire Department to purchase a skid unit for a brush truck.

\$75,000.00 to the Lavaca County Rescue Service to purchase an ambulance.

\$25,000.00 to the Lavaca County Senior Citizens Program to purchase kitchen equipment.

\$3,600.00 to Team First Book-Matagorda County to purchase books for literacy based non-profits in and around Matagorda County.

\$79,000.00 to the Refugio County Memorial Hospital to purchase an x-ray table, generator and tube for the hospital.

\$30,000.00 to the Nursery Volunteer Fire Department to purchase a new Wild-Land Brush Truck.

\$50,000.00 to the Inez Volunteer Fire Department to purchase a brush truck.

\$50,000.00 to the Driscoll Children's Hospital to equip a new facility in Victoria that will consolidate its four Victoria services at one location in the Detar North Women's and Children's Hospital Campus.

\$42,000.00 to The Center to replace windows in three of its cottages located at Willow River Farms campus.

\$75,000.00 to the City of Wharton to purchase an ambulance for the Wharton EMS.

\$500,000.00 to the Wharton County Junior College to purchase training equipment for the Johnson Health Occupations Center's Intensive Care Unit simulation lab.

\$23,100.00 to the Six Mile Community Volunteer Fire Department to purchase rescue equipment.

\$150,000.00 to the Cuero Regional Hospital to provide \$75,000.00 towards the cost of two ambulances. A requirement to this grant is to purchase two ambulances and not use the funds to purchase just one unit.

\$100,000.00 to the South Texas Children's Home to renovate the Flynn Cottage at the Marshall Campus.

\$50,000.00 to Goliad County to purchase a Type I ambulance for the Goliad EMS.

\$85,000.00 to the Lavaca Medical Center to purchase a Telemetry System for the Nursing floor.

\$20,000.00 to the Lavaca County Senior Citizens Program to purchase a used vehicle and renovate its Kitchen.

\$150,000.00 to the Matagorda Pregnancy Center of Matagorda County to purchase a building to house its operations.

\$18,200.00 to the DaCosta Volunteer Fire Department to purchase rescue tools.

\$75,000.00 to the Quail Creek Volunteer Fire Department to purchase an ambulance.

\$175,000.00 to Promise Pointe to retire a bridge loan used to purchase property for its operations.

\$16,800.00 to the Hope of South Texas to set up two forensic rooms for the Hope Child Advocacy Center.

\$60,000.00 to the Boys & Girls Club of El Campo to renovated bathrooms and repair sewer lines.

\$250,000.00 to Brookwood to help fund a 41,000 square foot neuro-sensitive designed education and enterprise building.

\$150,000.00 to the Gulf Bend Center to purchase a new software system and To upgrade laptops to be used with its new Healthcare Records System.

\$100,000.00 to Camp Aranzazu to rebuild two cabins recently destroyed by the hurricane last year.

\$50,000.00 to the Colorado County EMS to purchase a chassis and remount the box on a new ambulance.

\$25,592.00 to the City of Cuero to purchase rescue tools for the Cuero Fire Department.

\$143,300.00 to the Jackson County Hospital District to purchase a Siemens Blood Chemistry Analyzer System for the Edna Hospital.

\$24,500.00 to the Hallettsville Volunteer Fire Department to purchase a Thermal Imaging Device, a computer and software.

\$15,000.00 to the Hallettsville Swimming Pool, Inc. for renovations and equipment for the Hallettsville swimming pool.

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\$200,000.00 to the Moulton Volunteer Fire Department to purchase a pumper truck.

\$50,000.00 to the Matagorda Regional Medical Center to purchase a GE Healthcare Revolution HD Computed Tomography X-Ray System.

\$7,700.00 to the Palacios Community Hub for an education room expansion and to purchase the GED Academy Online Learning Program for 20 students.

\$63,500.00 to the Food Bank of the Golden Crescent to purchase a fork-lift and a van for its Farmers Market Program.

\$75,000.00 to the El Campo EMS to purchase a chassis and remount the box on a new ambulance.

\$8,500.00 to the Goliad County Outreach to purchase a new five ton HVAC System.

\$28,000.00 to the Jackson County Emergency Services District No. 3 to purchase 10 sets of bunker gear.

\$25,000.00 to the Legends Skateboard Park to purchase equipment.

\$1,500,000.00 the University of Houston-Victoria to construct and equip a Kinesiology Lab, a Biology/Anatomy Lab and a Chemistry Lab.

\$1,500,000.00 to the Victoria College to construct a Comprehensive Student Center.

\$500,000.00 to the Wharton County Junior College for direct scholarships to students in the Health Sciences and the Allied Health Programs.

Total Grants Paid \$6,720,792.00

M.G. and Lillie A. Johnson Foundation, Inc.
Assets as of November 30, 2018

74-6076961

Description	Shares Par Value	Interest/ Dividend Rate	Maturity Date	Unit Market Price	Cost Basis	Market Value	Estimated Annual Income	Current Yield	% of Account
Cash & Cash Equivalents									
Prosperity Bank	5,145,793.660	0.3000		1.00000	5,145,793.66	5,145,793.66	15,437.38	0.0030	3.19
Paine Webber MMKT	500,757.630	0.2000		1.00000	500,757.63	500,757.63	1,001.52	0.0020	0.31
Raymond James MMKT	3,972,280.110	1.0000		1.00000	3,972,280.11	3,972,280.11	39,722.80	0.0100	2.46
Excise Tax Deposits	0.000			1.00000	0.00	0.00	0.00	0.0000	0.00
Total	9,618,831.400				9,618,831.40	9,618,831.40	56,161.70	0.0058	5.96
Certificates of Deposit									
Prosperity Bank	5,000,000.000	2.300	08/31/19	1.00000	5,000,000.00	5,000,000.00	115,000.00	0.0230	3.10
Prosperity Bank	4,000,000.000	2.000	03/02/19	1.00000	4,000,000.00	4,000,000.00	80,000.00	0.0200	2.48
First Bk Highland	240,000.000	2.450	09/16/24	0.93937	240,000.00	225,448.80	5,880.00	0.0261	0.14
Capital One	240,000.000	1.650	06/07/19	0.99598	240,000.00	239,035.20	3,960.00	0.0166	0.15
Key Bank NA	240,000.000	1.700	12/16/19	0.98901	240,000.00	237,362.40	4,080.00	0.0172	0.15
Summit Cmnty Bk WV	240,000.000	1.750	04/30/20	0.98395	240,000.00	236,148.00	4,200.00	0.0178	0.15
Evergreen Bk Gro IL US	240,000.000	2.700	06/15/20	0.99624	240,000.00	239,087.60	6,480.00	0.0271	0.15
Discover Bk Greew DE	240,000.000	1.900	08/17/20	0.98150	240,000.00	235,560.00	4,560.00	0.0194	0.15
American Express Natl	240,000.000	3.000	06/07/21	0.99544	240,000.00	238,905.60	7,200.00	0.0301	0.15
Barclays BK DE US	240,000.000	2.000	07/19/21	0.98968	240,000.00	232,723.20	4,800.00	0.0206	0.14
KS Statebank KS	240,000.000	2.100	07/19/21	0.95922	240,000.00	230,212.80	5,040.00	0.0219	0.14
JPMorgan Chase Bank	240,000.000	2.200	06/30/22	0.96081	240,000.00	230,546.40	5,280.00	0.0229	0.14
Citibank NA	240,000.000	3.150	08/15/22	0.99149	240,000.00	237,957.60	7,560.00	0.0318	0.15
Morgan Stanley Bk UT	240,000.000	3.400	11/23/22	0.99828	240,000.00	239,587.20	8,160.00	0.0341	0.15
BankUnited	240,000.000	2.900	06/29/18	0.97630	240,000.00	234,312.00	6,960.00	0.0297	0.15
Goldman Sachs Bank NY	240,000.000	3.400	10/10/23	0.99299	240,000.00	238,317.60	8,160.00	0.0342	0.15
Synchrony Bank	240,000.000	2.500	06/03/24	0.94537	240,000.00	226,888.80	6,000.00	0.0264	0.14
First United Bank OK	240,000.000	3.500	09/29/25	0.98918	240,000.00	240,300.00	8,400.00	0.0350	0.15
Total	12,840,000.000				12,840,000.00	12,762,403.20	291,720.00	0.0229	7.93
Managed Investment Accounts									
Kayne Small Cap Eq	4,080,948.740	0.825			4,080,948.74	6,718,839.94	55,399.00	0.0082	4.17
Fixed Income Laddered Portfolio	10,791,833.020	1.000			10,791,833.02	10,292,656.54	276,207.00	0.0258	6.39
Ameritrade	5,452,000.700	1.000			5,452,000.70	6,855,787.50	147,000.00	0.0214	4.25
Wells Fargo-Midcap	12,292,368.070	2.025			12,292,368.07	16,914,008.17	342,571.45	0.0203	10.49
Prosperity Bank-Mutual Funds	9,164,253.050	2.503			9,164,253.05	9,278,012.92	232,270.34	0.0250	5.76
Total	41,781,403.580				41,781,403.58	50,058,305.07	1,053,447.79	0.0210	31.06
Investments									
Corporate Bonds & Notes									
Caterpillar Fincl Svcs	200,000.000	7.150	02/15/19	1.00765	187,230.00	201,530.00	14,300.00	0.0710	0.13
GE Capital Internotes	500,000.000	5.100	02/15/19	1.00000	500,000.00	500,000.00	12,750.00	0.0255	0.31
Ford Motor Crdt Co	250,000.000	2.650	08/20/21	0.94914	250,000.00	237,285.00	6,375.00	0.0269	0.15
Anheuser-Busch	250,000.000	3.300	02/01/23	0.96789	249,797.75	241,972.50	8,250.00	0.0341	0.15

M. G. & LILLIE A. JOHNSON FOUNDATION, INC.

74-6076961

Description	Shares Par Value	Interest/ Dividend Rate	Maturity Date	Unit Market Price	Cost Basis	Market Value	Estimated Annual Income	Current Yield	% of Account
Philip Morris Intl Inc	250,000.000	2.125	05/10/23	0.92787	248,950.25	231,967.50	5,312.50	0.0229	0.14
John Deere Capital Corp	250,000.000	2.650	06/24/24	0.94649	249,707.75	236,622.50	6,525.00	0.0280	0.15
BK of NY Mellon Corp B/E	250,000.000	3.000	02/24/25	0.95060	249,997.75	237,650.00	7,500.00	0.0316	0.15
Lehman Bros Holdings	1,000,000.000	0.000	01/29/21	0.01970	543,219.22	19,700.00	0.00	0.0000	0.01
VISA Inc	250,000.000	3.150	12/14/25	0.96501	247,727.75	241,252.50	7,875.00	0.0326	0.15
Exxon Mobil Corp B/E	250,000.000	3.130	04/22/26	0.95995	245,450.25	239,987.50	7,825.00	0.0326	0.15
Wells Fargo & Co	250,000.000	3.000	04/22/26	0.92133	246,772.75	230,332.50	7,500.00	0.0326	0.14
Toyota Motor Credit Corp	250,000.000	3.200	01/11/27	0.95200	246,212.75	238,000.00	8,000.00	0.0336	0.15
Apple Inc	250,000.000	3.200	05/11/27	0.95067	251,644.44	237,667.50	8,000.00	0.0337	0.15
Verizon Comm Inc	250,000.000	3.500	08/15/27	0.95424	250,000.00	238,560.00	8,750.00	0.0367	0.15
Clorox Co	250,000.000	3.100	10/01/27	0.93262	251,707.33	233,155.00	7,750.00	0.0332	0.14
	4,700,000.00				4,220,417.99	3,565,682.50	116,812.50	0.0328	2.22
Government Bonds									
FHLB, 3.625%, 091328	250,000.000	3.625	09/13/28	0.99834	250,458.47	249,585.00	9,062.50	0.0363	0.15
	250,000.00				250,458.47	249,585.00	9,062.50	0.0363	0.15
Common Stock									
AT&T	12,200.00	2.000		31.24	445,175.41	381,128.00	24,400.00	0.0640	0.24
Altria Group Inc	5,800.00	3.200		54.83	400,721.95	318,014.00	18,560.00	0.0584	0.20
Abbott Labs	10,000.000	1.120		74.05	60,370.60	740,500.00	11,200.00	0.0151	0.46
AEP Inc	8,600.000	2.680		77.74	402,928.43	668,564.00	23,048.00	0.0345	0.41
American Express Co	8,200.000	1.560		112.27	350,495.72	920,614.00	12,792.00	0.0139	0.57
American Wtr Wks	6,100.000	1.820		95.41	296,733.75	582,001.00	11,102.00	0.0191	0.36
Amgen Inc	2,500.000	5.280		208.25	402,828.41	520,625.00	13,200.00	0.0254	0.32
Anheuser Busch	4,000.000	2.531		76.87	475,500.53	307,480.00	10,124.00	0.0329	0.19
Apple Inc	4,500.000	2.920		178.58	495,740.55	803,610.00	13,140.00	0.0164	0.50
Bank of America	29,800.000	0.600		28.40	403,944.25	846,320.00	17,880.00	0.0211	0.53
Berkshire Hathaway	5,000.000	0.000		218.24	252,219.95	1,091,200.00	0.00	0.0000	0.68
Bristol Myers Squibb Co	14,800.000	1.600		53.46	352,198.67	791,208.00	23,680.00	0.0299	0.49
Caterpillar Inc	7,300.000	3.440		135.67	481,621.90	990,391.00	25,112.00	0.0254	0.61
Chevron Texaco Corp	8,600.000	4.480		118.94	242,365.03	1,022,884.00	38,528.00	0.0377	0.63
Cisco	15,250.000	1.320		47.87	400,012.75	730,017.50	20,130.00	0.0276	0.45
Coca-Cola Co	9,500.000	1.560		50.40	348,944.81	478,800.00	14,820.00	0.0310	0.30
Cole Credit Property Trust V	20,202.020	0.700		24.00	500,000.00	484,848.48	29,090.91	0.0600	0.30
Colgate Palmolive	15,200.000	1.680		63.52	206,453.64	965,504.00	25,536.00	0.0264	0.60
Comcast Corp	11,000.000	0.760		39.01	290,617.75	429,110.00	8,360.00	0.0195	0.27
CSX Corporation	16,000.000	0.880		72.63	309,675.37	1,162,080.00	14,080.00	0.0121	0.72
Danaher Corp	16,400.000	0.640		109.54	184,807.70	1,796,456.00	10,496.00	0.0058	1.11
Dominion Resources Inc	10,000.000	3.340		74.50	558,570.84	745,000.00	33,400.00	0.0448	0.46
DowDuPont Chemical	9,500.000	1.520		57.85	394,022.95	549,575.00	14,440.00	0.0263	0.34
Duke Energy	8,433.000	3.710		88.57	554,433.39	746,910.81	31,286.43	0.0419	0.46
Eaton Corp PCL	6,300.000	2.640		76.94	402,732.77	484,722.00	16,632.00	0.0343	0.30
Emerson Elec Co	13,300.000	1.960		67.52	175,816.66	898,016.00	26,068.00	0.0290	0.56
Exxon Mobil Corp.	11,153.000	3.280		79.50	177,201.23	886,663.50	36,582.00	0.0413	0.55
Fastenal Co	5,600.000	1.600		59.26	197,722.72	331,856.00	8,960.00	0.0270	0.21

M. G. & LILLIE A. JOHNSON FOUNDATION, INC.

74-6076961

Description	Shares Par Value	Interest/ Dividend Rate	Maturity Date	Unit Market Price	Cost Basis	Market Value	Estimated Annual Income	Current Yield	% of Account
Fedex Corp	4,000.000	2.600		229.00	339,999.25	916,000.00	10,400.00	0.0114	0.57
Fortive Corp	8,200.000	0.280		76.07	60,182.00	623,774.00	2,296.00	0.0037	0.39
General Mills Inc	9,600.000	1.960		42.31	445,903.46	406,176.00	18,816.00	0.0463	0.25
Gilead Sciences Inc	4,650.000	2.280		71.94	401,874.80	334,521.00	10,602.00	0.0317	0.21
Griffin Capital Essential	50,087.040			9.48	500,000.00	474,825.14	26,115.38	0.0550	0.29
Halliburton	5,200.000	0.720		31.43	200,654.56	163,436.00	3,744.00	0.0229	0.10
Home Depot	11,400.000	4.120		180.32	302,762.81	2,055,648.00	46,998.00	0.0228	1.28
Honeywell Intl Inc	4,400.000	3.280		146.75	382,339.28	645,700.00	14,432.00	0.0224	0.40
Intel	30,200.000	1.200		49.31	229,617.58	1,489,162.00	36,240.00	0.0243	0.92
Intl Business Mach	5,000.000	6.280		124.27	407,275.25	621,360.00	31,400.00	0.0605	0.39
Intl Flavors & Frgrncs	4,000.000	2.920		141.63	495,261.95	566,520.00	11,680.00	0.0205	0.35
Johnson & Johnson Company	14,000.000	3.600		146.90	138,653.80	2,056,600.00	50,400.00	0.0245	1.28
JPMorgan Chase & Co	7,000.000	3.200		111.19	404,249.75	778,330.00	22,400.00	0.0288	0.48
McDonalds Corp	5,500.000	4.640		188.51	487,862.95	1,036,805.00	25,520.00	0.0246	0.64
Medtronic PLC	11,000.000	2.000		97.53	846,450.00	1,072,830.00	22,000.00	0.0205	0.67
Merck & Co	17,000.000	2.200		79.34	803,572.60	1,348,780.00	37,400.00	0.0277	0.84
Metlife Inc	7,100.000	1.680		44.63	361,207.05	316,873.00	11,928.00	0.0376	0.20
Microsoft	19,800.000	6.281		110.89	418,421.00	2,195,622.00	124,371.31	0.0566	1.36
National Grid PLC	4,950.000	3.092		53.45	401,490.95	264,577.50	15,305.00	0.0578	0.16
Nestle S A Sponsored ADR	6,200.000	2.029		85.22	303,146.50	528,364.00	12,580.00	0.0238	0.33
Nextera Energy Inc	9,400.000	4.440		181.71	319,596.21	1,708,074.00	41,736.00	0.0244	1.05
Norfolk Sthn Corp	5,800.000	3.200		170.74	351,042.69	990,292.00	18,560.00	0.0187	0.61
Novartis	6,850.000	2.488		91.53	400,624.75	626,980.50	17,043.00	0.0272	0.39
Oneok Inc	6,400.000	3.420		61.43	69,330.90	393,152.00	21,888.00	0.0567	0.24
Pepsico Inc	12,200.000	3.710		121.94	223,604.93	1,487,668.00	45,262.00	0.0304	0.92
Pfizer Inc	22,000.000	1.360		46.23	185,339.45	1,017,060.00	29,920.00	0.0294	0.63
Phillip Morris Intl Inc	4,600.000	4.560		86.53	43,782.11	398,038.00	20,976.00	0.0527	0.25
Procter & Gamble Co	12,500.000	2.869		94.51	125,334.75	1,181,375.00	35,863.00	0.0304	0.73
Schlumberger Ltd.	9,200.000	2.000		45.10	175,717.27	414,920.00	18,400.00	0.0443	0.26
Travelers Cos Inc.	6,000.000	3.080		130.37	300,534.65	782,220.00	18,480.00	0.0236	0.49
Tupperware Brands	3,200.000	2.720		37.86	201,765.95	121,472.00	8,704.00	0.0717	0.08
Unilever OLC Amer	8,300.000	1.806		54.29	302,731.15	450,607.00	14,990.00	0.0333	0.28
United Technologies Corp	5,400.000	2.940		121.84	445,472.95	657,936.00	15,876.00	0.0241	0.41
Verizon Communications	12,000.000	2.410		60.30	282,819.76	723,600.00	28,920.00	0.0400	0.45
Wal Mart Stores	6,500.000	2.080		97.65	356,296.50	634,725.00	13,520.00	0.0213	0.39
Wells Fargo & Co	10,400.000	1.720		54.28	501,695.95	564,512.00	17,888.00	0.0317	0.35
Williams COS Inc	11,500.000	1.360		25.32	401,283.61	291,180.00	15,640.00	0.0537	0.18
3M Co	6,700.000	5.440		207.92	148,446.87	1,393,064.00	36,448.00	0.0262	0.86
Totals	683,475.060				22,550,903.72	52,406,867.43	1,487,359.03	0.0284	32.51
Mutual Funds									
American Funds Cap Wid Bond Fund	62,312.418			19.00000	1,286,611.14	1,183,935.94	22,432.00	0.0189	0.73
Columbia Seligman Comm and Inform	11,663.445			71.19000	548,053.81	830,320.65	0.00	0.0000	0.52
Dodge & Cox Intl Stock Fund	13,750.000			40.73000	529,488.58	560,037.50	12,265.00	0.0219	0.35
FT-Templeton Global Bond A	93,556.002			11.67000	1,016,669.92	1,091,798.54	61,747.00	0.0566	0.68
FT-Franklin Income A	392,468.512			2.26000	1,000,475.84	886,978.84	47,098.00	0.0531	0.55

M. G. & LILLIE A. JOHNSON FOUNDATION, INC.

74-6076961

Description	Shares Par Value	Interest/ Dividend Rate	Maturity Date	Unit Market Price	Cost Basis	Market Value	Estimated Annual Income	Current Yield	% of Account
Loomis Sayles Invest	43,463.754			10.80000	511,852.18	469,408.54	11,778.68	0.0251	0.29
Oppenheimer Intl Bond A	86,941.000			5.35000	507,423.52	465,134.35	21,822.19	0.0469	0.29
Pimco Real Return Class A	92,013.145			10.55000	1,002,019.43	970,738.68	25,672.00	0.0264	0.60
Templeton Global Total Return Cl. A	32,343.365			11.77000	451,989.91	380,681.41	18,500.00	0.0486	0.24
Vanguard Convertible Sec Inv	9,202.036			13.32000	101,010.93	122,571.12	2,162.48	0.0176	0.08
Vanguard Wellesley Inc	18,587.361			26.25000	400,000.00	487,918.23	14,609.67	0.0299	0.30
Totals	856,301.038				7,355,595.26	7,449,523.80	238,085.02	0.0320	4.63
Miscellaneous Assets									
Office Equipment	14,494.670				14,494.67	14,494.67			0.01
Machinery & Equipment	392.960				392.96	392.96			0.00
Accumulated Depreciation					(13,735.72)	(15,534.72)			(0.01)
Total	14,887.63				1,151.91	(647.09)			0.00
Mineral Interests									
Various Mineral and Royalty Interest: Brazoria, Colorado, Dimmit, Fayette Harris, Jackson, LaSalle, Lavaca, Matagorda, Webb, and Wharton Counties	604,454.240				604,454.24	20,053,621.38	8,661,183.13	0.4319	12.44
Accumulated Depletion	-604,454.240				(604,454.24)				0.00
Net Mineral Interests	0.000				0.00	20,053,621.38	8,661,183.13	0.4319	12.44
Real Estate									
Acres									
Texas									
Jackson County	939.174				519,499.00	923,390.00	16,900.00	0.0183	0.57
Wharton County-Farm	26.333				21,528.00	229,038.00	871.00	0.0038	0.14
Webb Co Ranch	5,344.564				2,139,301.76	3,873,920.00	77,312.00	0.0200	2.40
Total	6,310.071				2,660,328.76	5,026,348.00	95,083.00	0.0189	3.11
Grand Totals					101,289,091.08	161,191,520.69	12,008,914.67	0.0745	100.00